### PRIME MINISTER

## MAIN EVENTS

Chanceller attends IMP meeting, Washington

# **STATISTICS**

DEN: Energy trends (Nov)

# **PARLIAMENT**

Commons

**Questions:** Home Office; Prime Minister

**Business:** Motions on Scottish Housing Support Grant Order and Revenue

Support Grant Reports. Details will be given in the Official

Report

Opposed Private Business

London Local Authorities Bill (HL)

Medway Tunnel Bill

Afterwards

Motions to take note of EC Document on Shipping and Dangerous Goods and on Merchant Shipping Regulations. Details will be given in the Official Report

Adjournment Debates: Dumping of waste in the North Sea (Mr M Bruce)

COMMITTEE ON A PRIVATE BILL Select Committees:

King's Cross Railways Bill

Lords: Starred Questions

Courts and Legal Services Bill (HL): Committee (2nd Day)

Trade Union Act 1984 (Amendment) Bill (HL)

#### Main News

Soviet tanks and ships break blockade of Baku harbour by 50 merchant ships. Several vessels blown out of water and sunk, according to reports.

<u>Independent</u> sees this as Moscow in effect declaring war on Azerbaijan. Gerasimov rejects suggestions of national crisis, saying "There are no alternative leaders. There are no alternative policies".

Bush backs troubled Gorbachev (Mail).

Riot police break up 30,000 demonstrators in Yugoslavia demanding democracy for ethnic Albanians in Kosovo province.

Political turmoil in post-revolutionary Romania deepens as crowds again take to streets to protest against decision of the ruling National Salvation Front to stand in the May General Elections. Leader accuses the National Salvation Front of goading the nation to fury. It suggests that the distinguished former dissident, Mrs Doina Cornea, who has resigned, should take over as caretaker President as she alone appears to have the substance to become a Romanian Havel or Walesa (Times).

Douglas Hurd says East German Govt's lack of authority is creating instability. He pleases East German Govt by taking a cautious view on the prospects for German reunification (FT).

<u>Times</u> says that the first united rightwing party has staggered to its feet in East Germany in the first serious challenge for the growing conservative vote in May elections.

Telegraph leader says if you were seeking to work with the grain of history with Mitterrand last weekend it applauds you. We need to do three things: welcome advent of a Germany that can decide its own future democratically; do everything we can to reassure Gorbachev by encouraging US to stay in Europe and showing more enthusiasm for CSCE; and give substance to German hopes a reunified Germany will occur within EC.

Moscow cuts oil sales to Eastern Europe but there is uncertainty about whether this is due to shortages or part of an economic war of nerves (FT).

Soccer national membership card scheme dropped. Seen as a U-turn by Govt; a humiliation for you by <u>Mirror</u> - no choice but to turn. <u>Today</u> describes it as victory for thugs.

John Carlisle MP hopes Govt will stand firm and go-ahead with scheme. He says it would be "pathetic" for Govt to comply with Taylor's "extreme prejudice" against cards (Independent).

Labour Party delighted.

Express says decision will not stop Ministers looking for alternative membership schemes which do not endanger fans.

Senior Met. sources deny conclusions of leaked report on Wapping violence, claiming author lacked experience. Disclosures embarrass Police Complaints Authority and Crown Prosecution Service (Independent).

Express leader says if the leak is correct the investigators must have been operating in a timewarp in which violent, Luddite attempts to destroy a lawful business are still expected to be indulged in by the rest of society. Anyone who believes the renta-mob at Wapping was of peaceful intent will believe anything.

Britain frustrated at Vietnamese boat people conference by Americans' refusal to compromise.

Express says the boat people conference ended in a shambles.

Ford workers reject strike and accept 10.2% - seen as a climbdown by workers which nonetheless will fuel inflation. Gavin Laird, AEU, sees it as a benchmark for all workers - "Double figures were always our target". <u>Star</u> says Govt should now pay ambulance men same.

<u>FT</u> says however that, notwithstanding the vote, Ford are braced for further disruption to production as 600 skilled workers meet tomorrow to consider extending their strike. Ministers intend to portray the settlement as a special case.

<u>Times</u> says Ford emphasise that 10.2% pay deal is self-financing through productivity measures but Chancellor is left with the problem of how to contain wage rises which threaten to push inflation even higher, damaging City confidence and risking interest rate rises. CBI welcome Ford workers' vote but warn that it was no benchmark, adding that pay deals not earned by better performance would mean job losses.

NW London ambulance workers to strike this morning in spite of wider London decision not to do so.

Kenneth Clarke, confronted by crowd of heckling students when, on an ambulance call in Newcastle while making a film of the dispute, encounters a dying lecturer who does not respond to resuscitation.

<u>Times</u> says Doctors Pay Review Body recommends they should have rises of up to 18% in return for new performance-related contracts. Ministers expected to phase in award to avoid fuelling ambulance dispute.

Assistant Masters' & Mistresses' Assn claims that figures issued by D/Environment show that Ministers are planning to introduce regional pay for teachers (<u>Times</u>).

<u>Telegraph</u> says Christopher Prout said there was now a reasonbly good chance UK would join ERM by end of year.

Relatively little coverage of your meeting with MEPs but it is generally seen as not settling rift over EMU/ERM.

Delors in Paris calls for establishment of European Federation, without Britain if necessary, and the transfer of large of areas of national sovereignty to a political executive.

BBC union leaders lodge claim for 10%. <u>Daily Mail</u> staff are working to rule in protest against plans to introduce individual contracts.

BAe management to hold talks with local union leaders at Chester site in pay and hours dispute (Times).

British Shoe Corporation threatening to make 1,000 staff redundant after sales slump; 200 stores closed.

Aeroflot places £200million order for 5 Airbus 310s.

BAA increases landing fees for small aircraft at Gatwick and Heathrow by 40% - small airlines protest. Could add 15% to air fares.

Serious Fraud Squad says decisions whether to prosecute individuals involved in the House of Fraser takeover should be made by end of February (Times).

EC Commission proposes member states should let it become their negotiator with rest of world on fixing of airline routes (FT).

Ferranti issues writ against Peat Marwick McLintock claiming damages for losses arising from Ferranti's takeover of International Signal and Control (FT).

<u>Times</u> leader looks at the history of the European Fighter Aircraft saying that the end to the Anglo-German squabble could be in sight with the GEC takeover of Ferranti. But there is still a question mark over the future of EFA, adding that the four ministers of defence involved still have a lot of talking to do.

Chairman of Securities and Investments Board denies suggestions body about to take over responsibilities from DTI (FT).

France to push for tough curbs on imports of Japanese cars at EC Foreign Ministers meeting next month (FT).

Furious dispute between Eurotunnel and the 10 contractor companies erupts again over costs of Channel Tunnel (Times).

British Gas chairman says there are plans to introduce quality of service targets, possibly backed by financial compensation for inadequate service, for 17 million householders (FT).

Families in London face lower bills than in almost any other major capital according to PE International Consultants.

Banks suspect you will avenge yourself for their student loans decision by restricting tax relief on doubtful debts (Independent).

Woodrow Wyatt in the <u>Times</u> accuses the banks of doing a disservice to the country as well as students by bucking out of the student loan scheme. He adds that it is not too late for them to come back into the scheme but doubts that they will because they run scared at the slightest whiff of, or breaking of ranks in the face of, the NUS.

George Walden MP claims A level exams are being made too easy.

Labour attack state school for charging £11 a week to ensure under-fives can cope with the national curriculum (Independent).

New fears raised by Sir Richard Doll over link between contraceptive pill and cancer.

<u>Mail</u> says Kinnock is threatened by a new wave of hard left Militant penetration.

<u>Sun</u> says Kinnock has no choice but to expel the 30 Labour MPs who are threatening to refuse to pay community charge.

Kenneth Baker accused of spectacular own-goal over Central Office postcard claiming rises in health spending. Shows nurse from hospital hit by spending cuts (<u>Independent</u>).

<u>Express</u> feature says if Conservatives lost Mid Staffs and worse still, Chancellor's medicine does not work, MPs will be excused for running around like those in Dad's Army saying "Don't Panic". But Labour have their problems if they fail to win.

Michael Latham MP to retire after next election to spend more time with the family.

Lord Chancellor asks Judge Pickles to explain his "dinosaur" criticism of Lord Chief Justice.

Sir John Hermon rejects allegations of conspiracy against Stalker who is expected to hand in his evidence to the Home Office today.

Police inspector dies and two sergeants and pilot injured when police helicopter hits block of flats in Glasgow in snow.

Nine W. Yorkshire detectives investigated over claims that a man was wrongfully convicted of murder (<a href="Independent">Independent</a>).

Gun gang steal £5million worth of property from Bucks home of Al-Tajir.

In libel court: Andrew Neil, Editor, Sunday Times, accuses Donald Trelford, Editor, Observer, of trying to steal Pamella Bordes from him

David Glencross appointed Director General of ITC.

Nine Leftwing MPs, including Skinner, invite you "to make the supreme sacrifice and commit suicide on the job" Nicholas Winterton says they are sick. <u>Sun</u> says if they think this is funny they badly need treatment.

#### **ECONOMY**

<u>Sun</u> leader, responding to reports yesterday that Budget might put taxes up, says the Tory Party was NOT elected to raise taxes. We are prepared for taxes not to go down in March but not for them to go up. Do the Tories want to lose the next election?

<u>Mirror</u> leader says with the scourge of inflation continuing it's death for many more shops and a reduction in the standard of living for first time buyers. To understand the despair you have created you should walk through Grantham where shutter after shutter is going up as shops close down.

Express leader says if the Ford deal turns out to be bad for the company's profits and job security it will be their business and both management and unions will know who to blame. You should not be pestered about private sector pay claims. Instead you should be relentlessly pressed about getting a good deal for the taxpayer in public sector pay talks.

#### **MEPs**

<u>Star</u>, <u>Sun</u>, <u>Mirror</u> ignore meeting. <u>Today</u>: Maggie lectures her Euro Tories but you and they are still some way apart.

Express - Brief piece - Euro MEPs rebuffed. You refuse to budge
on ERM.

Mail - Move to heal Euro rift fails.

<u>Telegraph</u> prints picture of the occasion. Report claims MEPs detected you are "softer" on EMS. But serious differences remain.

<u>Independent</u> - Deep division between you and MEPs over European Central Bank. Split will intensify tensions in party over approach to Europe.

<u>Times</u> - MEPs promised better access to Govt Ministers as part of effort to improve relations. Douglas Hurd calls stories of rifts between the two sides as "myths and mists".

<u>Guardian</u> - MEPs make no headway with Thatcher on EC role - they left virtually empty handed.

## YOUR VISIT TO TATE

You make a spontaneous pledge on arts funding, which may come to haunt you (<a href="Independent">Independent</a>).

 $\underline{\mathtt{Times}}$  carries a picture of you looking at a modern sculpture at Tate Gallery.

# MINISTERS (UK VISITS, SPEECHES ETC)

DES: Mr MacGregor addresses Society of Education Officers AGM; later gives short speech at reception for annual congregation of Fulbright Scholars

DSS: Mr Newton opens the Queen Elizabeth's Foundation for the Disabled exhibition, Institute of Directors, London; Mr Jackson (DES) attends

FCO: Mr Hurd addresses Association of American Correspondents, London

DEM: Mr Howard attends CBI presentation, London

DEM: Mr Nicholls addresses National Council for Industry and Training Organisation Standards and Qualifications conference, London

DEM: Mr Eggar launches and addresses BGT Small Business Programme

DH: Mrs Bottomley attends meeting and dinner at the Royal College of Obstetricians and Gynaecologists; later meets representatives of Women's Health Concern Organisation, and meets Dr Graham McDonald re junior doctors' hours, London

DH: Lady Hooper meets Terence English of the Royal College of Surgeons

DSS: Mrs Shephard addresses the Social Affairs Forum meeting: Social Security and the Family

DTI: Mr Hogg visits Newcastle

DTI: Lord Trefgarne attends British Knitting and Clothing Export Council annual banquet

DTp: Mr Atkins attends launch of Suffolk Group Radio: Belt up in the Back campaign, Ipswich; later addresses East Anglia Roads to Prosperity Group Transport Forum, Norwich

DTp: Mr Portillo addresses Greater London Area Executive Committee

HMT: Mr Lilley presents Sunday Telegraph Unit Trust Investor of the Year award, London

MAFF: Mr Curry addresses ADAS/NFU Cereals Farmers' conference, Chelmsford; later visits Dengie Crops, Asheldham, Essex

MAFF: Mr Maclean visits NFU Watercress and Fish Farm, Hampshire

OAL: Mr Luce addresses opening of Leeds Arts Collection Fund exhibition,
Leeds

# MINISTERS (OVERSEAS VISITS)

HMT: Mr Major attends IMF Interim Committee meeting, Washington (to 26 January)

MAFF: Mr Gummer visits Berlin for Greenweek (to 26 January)

FCO: Mr Maude visits Gibraltar (to 26 January)

# MINISTERS (PRESS INTERVIEWS)

DH: Mrs Bottomley on the Robbie Vincent Show, LBC, about NHS

reforms

# TV AND RADIO

"This Week" ITV (8.30pm)

"Question Time" BBC1 (10.00pm)
With Foreign Secretary Douglas Hurd, Lord Jenkins, Marjorie Mowlam MP and Andrew Neil